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- EXPIRES

 I. Pak ultimatum to Afghanistan this Sunday,

 15 May.
 - A. Ultimatum states if Afghanistan does not make full "restitution" by that date (for 30 March looting of Pak embassy in Kabul), Paks will take "necessary measures."
 - B. Pak Interior Minister Mirza says "measures" may include rupture of diplomatic relations, economic blockade.
 - C. Blockade would cut Afghan's normal route to sea, force any international trade to use bad and roundabout routes via Iran or USSR.

For Afghans to make required "restitution" would mean serious loss of face. However, we harger problem has been raised by Pak wints to Afghan Government that Prime Min-

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- B. Daud also chief proponent of "Pushtoonistan" campaign, major bone of Afghan-Pak contention.
- C. Additionally, is suspect because he favors closer economic relations with USSR.
- III. Dilemma is that Afghan royal family cannot gracefully remove Daud.
 - A. Aware that "Pushtoonistan" campaign has had no foreign support for past 7 years, except from India--and even India now expressing concern over trend of events.
 - B. Also aware of widespread popular criticism inside Afghanistan and abroad over Daud's economic policy towards USSR

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- C. Family probably would prefer to retain Daud, if it could get his acquiesence to "restitution" and to cutting down on Pushtoonistan propaganda and Soviet economic ties.
 - No readily acceptable replacement or alternate employment for Daud.
 - 2. Also difficult to discipline for third time in recent years the man who probably will assume control of country in near future (on incaproletation or death als aging uncles, Shah Mahmud and Shah Wali).
- D. However, Daud apparently unwilling to acquiesce; has decided to use current crisis to make bid for complete control of government.
- E. Thus, royal family faced with two horns--get rid of Daud or surrender to him completely.

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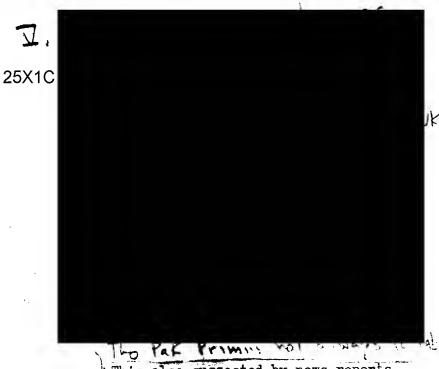
- IV. All recent Afghan actions designed to delay need grasp one or other these horns.
 - A. Afghan now engaged in frantic diplomatic maneuvering designed to alarm other countries, encourage them to ask Paks ease pressure. Maneuvers include: blaming Pakistan for current crisis; broadcasting inflammatory propaganda re Pak burning of holy Koran; mobilizing armed forces (4 May) and stating willingness fight Pak if necessary; threatening to turn to USSR in case of economic blockade; requesting US medeation, discussing possible Turkish and Saudi intervention.
 - B. Despite brave front, alarming nature

 some Afghan threats, most this byplay

 seems bluff. Deafter being (aladuly)
 - C. Royal family aware of both Afghan military weakness vis-a-vis Pak and complete failure to enlist foreign support.

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This also suggested by news reports.

Mediation seems unlikely accomplish real solution to dispute since Egypt, Saudi, Tran unlikely put heavy pressure on Afghanistan.

A. Further delay may therefore merely strengthen

Daud and postpone final decision.

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